

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

ADELPHIA GRAPHIC SYSTEMS

Delaware Valley Industrial Resource Center

Ags Undergoes Lean Transformation After Fire

Client Profile:

Adelphia Graphics Systems was established in 1960. It is primarily a custom manufacturer of signs for all types of industries and businesses. Primary customers include hospitals, industrial and business parks, and individual companies. The company is privately owned. The plant is located in Exton, Pennsylvania and has 15,000 square-feet of space.

Situation:

Adelphia Graphics Systems (AGS) was experiencing steady growth in business as demand for its signs increased. As demand increased, so did lead times, eventually peaking at "front-end" lead time of three weeks and a fabrication process in excess of five weeks. The combined lead time of more than eight weeks began to have a negative effect on sales. At this point disaster struck: AGS had a fire in the Raw Material area of the plant that forced the company to relocate most of its operations to a temporary location. AGS needed help setting up operations in its temporary, "as-is" plant. The company contacted the Delaware Valley Industrial Resource Center (DVIRC), a NIST MEP network affiliate, for assistance.

Solution:

DVIRC provided layout information related to Flow Principles to AGS, and helped the company develop an ideal production layout from the layout in its temporary location. While still in temporary facilities, AGS decided to tackle the problems causing its lead-time delays. DVIRC conducted a value stream mapping exercise on-site to teach AGS to "see" the constraints in its processes. Once those constraints had been identified and mapped, AGS could outline and prioritize its strategy for a lean transformation.

AGS used the fire as a catalyst to pursue alternative methods related to an overall design for rebuilding its facility based on the company's five-year plan and the opportunities presented in the value stream mapping project. At the company's request, DVIRC worked with a team of AGS employees to develop alternative plans for a preferred process layout, using flow principles to select a "best-fit" design of the layout for architectural review and incorporation into the new space.

Finally, AGS decided to take advantage of the opportunity to move back into its rebuilt facility without work space clutter and vowed to maintain cleanliness in the work place. DVIRC applied a 5S organized work place program to the

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

entire operation, including classroom training and hands-on application of all 5S methods.

Results:

Developed the layout for the temporary location to minimize lost sales due to the fire.

Improved capabilities by recognizing and eliminating waste.

Developed a "best-fit" design for the rebuilt facility incorporating flow principles.

Implemented a 5S program to eliminate lost production due to clutter in the operation.

Saved \$50,000 based on implementation to date.

Anticipate saving 10-12 percent annually over the next five years.

Testimonial:

"With the assistance of the Delaware Valley Industrial Resource Center, AGS has been able to take the initial steps in our transition to lean manufacturing.

Prior to our fire in April, we were producing monthly revenues between \$515,000 to \$600,000 per month. We worked with DVIRC to develop a new plant layout and made a quick transition to a temporary facility. After a drop of almost 70% in revenues immediately following the fire, we were able to produce at almost maximum capacity within two months to three months. We feel that DVIRC's responsiveness and expertise helped us to recover lost revenues."

Paula Inforzato, Vice President